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ments and by the display of real insight into the economic conditions of the time. His monograph can be safely recommended to students as a valuable contribution to the history of mercantilism.

WILLIAM A. SCOTT.

Über einige Grundfragen der Socialpolitik und der Volkswirtschaftslehre.

Von GUSTAV SCHMOLLER. Leipzig: Duncker & Humblodt, 1898. 8vo. pp. ix+343.

THE volume reproduces in collected form three well-known essays of various dates: (1) The polemical chapters of Professor Schmoller's controversy with Treitschke (*Über einige Grundfragen des Rechts und der Volkswirtschaft*—1874-5); (2) The essay on the Scope and Method of Economic Science (*Die Volkswirtschaft, die Volkswirtschaftslehre und ihre Methode*—1895), originally written for Conrad's *Handwörterbuch*; and (3) the Inaugural Address of October last, delivered on the occasion of Professor Schmoller's induction into the rectorship at the University of Berlin (*Wechselnde Theorien und feststehende Wahrheiten im Gebiete der Staats- und Socialwissenschaften und die heutige deutsche Volkswirtschaftslehre*—1897). It is notable as indicating the extent and the character of the changes that have passed over the "historical method" during the past twenty-five years. The earlier of the essays gives Professor Schmoller's position at the time when he first came prominently forward as the champion of that method, and its defender against those who spoke for a return to a rehabilitated classicism. It marks the supersession of Roscher's "historico-physiological" by the "historical" method, through discontinuing, or at least discountenancing, the use of the physiological analogy in economic theory. On the basis of this early controversy with Treitschke, Professor Schmoller got the reputation, not altogether gratuitous, at the hands of his critics, of being spokesman for the view that economic science is, and of right ought to be, without form and void. But if this construction of his views was not altogether gratuitous, still less was it altogether well grounded. The elements of his later methodological work are visible in this early essay, but they are most readily visible and most significant when seen in the light of his later utterances on the same head. Without the consistency and application given to these elements in his later work, it is doubtful if there would have been occasion seriously to qualify the disparaging opinion

passed upon his efforts by his Austrian critics. What gives added color to the contentions of those who carp at the historical method, as shown in Schmoller's exposition, is the fact that very much of his constructive work has been of a character to bear out the criticisms leveled at him on methodological grounds. Much of his own work, as well as the greater part of the voluminous work carried on under his hands by his many disciples, has been of the nature of compilation and description — narrative, often discursive and fragmentary. But as to this prevalent character of his published work, it is to be said that he has, professedly, been occupied with the foundations of a prospective theoretical science of economics. And this prospective science "is, as regards its foundation, descriptive" (p. 226). The second of the essays contained in the volume leaves no ground for the objection that Professor Schmoller makes the science an undisciplined congeries of data. He gives, in concise and telling form, a prospectus for a theoretical science, such that, whatever strictures may be offered by his critics, it can assuredly not be characterized as being without form and void.

The method of any given science is determined (1) by the general standpoint which human knowledge, taken as a whole, has reached at the time; that is to say, by the generic features of the ideals and methods of knowledge which are in vogue at the time, and which are fundamentally of the same character for all directions of human thinking and knowledge. . . . (2) Scientific method depends on the nature of the subject-matter under inquiry. So mathematics follows a different method of procedure from physics, and the latter a different one from physiology, etc. . . . (3) The method employed in any given science at any given point of time depends on the degree of development which the science has reached at the time. In its crude beginnings knowledge always proceeds by half truths and sweeping generalizations; only little by little is the method of procedure improved and subtilized; emphasis falls now on observation and description, now on classification, and again, attention may be centered upon the causal explanation of phenomena (pp. 228–230).

It is this third count that seems to have been most insistently present in Professor Schmoller's mind in shaping his work in the past, especially his published writings. Economics has hitherto, in Professor Schmoller's apprehension, been in the inchoate stage only, and the method proper to the science, has, therefore, been conceived to be description and collation. In his lectures, and in the guidance

given his students, especially during later years, the same scrupulous regard for the requirements of economics as an inchoate science simply has not been so decisive, at least not to the full extent. It is evident both from the character which his work is now assuming and from the tone of this essay that the science is now felt to be rapidly passing this inchoate stage, and that the economists may now legitimately turn to constructive theoretical work.

Several chapters (iv-x. pp. 231-276) are given to a discussion of the methods and aims of economic science in the past; to an exposition, in outline, of the part which observation and description must play as preliminary to constructive work; to the use of statistical inquiry; to a characterization of the true historical method, and the relation of historical inquiry to economics; and last, but not least, to the important place of a taxonomic discipline—definitions, concepts and classification—in the science. In this latter discussion, it may not be out of place to point out, Professor Schmoller gives but scant acknowledgment to the really large and substantial deserts of the classical writers under this head. The most substantial and characteristic move in advance made by Professor Schmoller in the methodological discussion then follows under xi (*Die Ursachen*).

Observation and description, definition and classification are preparatory work only. What we seek by these means is an apprehension of economic phenomena as a connected whole. . . . Our insight in this respect can never be complete or fully adequate. . . . But, in any case, the more we confine ourselves to seeking an explanation of the facts at hand on the basis of what has immediately gone before, the more nearly will we succeed in this undertaking. And, in any event, there must remain before our eyes, as the ideal of all knowledge, the explanation of all facts in terms of causation. The natural sciences have accustomed us to apprehend every event as conditioned by causes, which we conceive of as forces (p. 277).

As causes at work in the sequence of economic phenomena we have mechanical and organic forces on the one side, and psychical forces on the other, which meet as two independent groups of causes contributing to the results to be studied. Whatever opinions we may hold as to the relation between physical and psychical life; however much we may be inclined to emphasize the fact that our spiritual life is conditioned by the facts of our nervous system; although we may, with full justification, hold that all our sensations and feelings are inseparable from certain physiological processes; this much remains beyond question, that the coexistence and sequence of spiritual phenomena are not to be explained through nerve changes simply, and that

for the present, and apparently for all time to come, the ultimate ascertainable facts of material existence and the most rudimentary adjustments of the spiritual life are ranged over against one another as independent and self-explaining groups of phenomena. Hence all efforts to explain the actions of men through direct recourse to merely physical or biological factors must be declared mistaken or inadequate (p. 278).

Hence the causes in terms of which economic theory must in the last resort formulate its results are psychical facts — facts of human motives and propensities.

There is no science possible outside the range of the universal law of causation — not even in the domain of the spiritual life. But the causes at work in the psychical sequence are essentially different from the mechanical ones. And hence it becomes incumbent on a practical science, such as economics, to carry its inquiry, as far as may be needed, into the details of psychological processes (pp. 286–287).

The aim of economics, as of any science, adopting any method, must be the determination of uniformities and laws (pp. 298–307). But the descriptive, empirical generalization of uniformities, simply, must not be accepted as a determination of the laws of the phenomena under inquiry. Normalization and taxonomic schedules are not science in the modern acceptance of the word.

We are no longer content to call empirically ascertained uniformities laws, but only those uniformities the causes of which we have been able to seize and fix (p. 302.) Economics is now in a fair way to become such a science. History and philosophy have brought it back to a realizing sense of the phenomena of collective life; statistics and industrial history have shown the way to a methodologically adequate empiricism; and psychology holds up before the science as its only competent purpose the quest for the substantially decisive causes of all human affairs (p. 309).

T. B. V.

Statistik und Gesellschaftslehre, Zweiter Band : *Bevölkerungsstatistik*. Von DR. GEORG VON MAYR. Freiburg: J. C. B. Mohr, 1897. 8vo. pp. x+486.

THE first volume of Professor von Mayr's work, treating of statistical theory, appeared in 1895, and was reviewed in this JOURNAL. The second volume now comes to us in a large royal octavo volume of 486 pages, being considerably over twice the size of its predecessor. In